

ARMY WAK COLL STRATEGIC STUDIES INST CARLISLE BARRACKS PA F/G 5/4  
LATIN AMERICA IN THE 1980'S: THE STRATEGIC ENVIRONMENT AND INTE--ETC(U)  
JUN 81 G MARCELLA

NL

116

END  
DATE  
FILMED  
|| 81  
DTIC

LEVEL II

BS 2

STRATEGIC STUDIES INSTITUTE  
US ARMY WAR COLLEGE  
CARLISLE BARRACKS, PENNSYLVANIA 17013

15 JUNE 1981

ACN 81048

LATIN AMERICA IN THE 1980'S:  
THE STRATEGIC ENVIRONMENT  
AND INTER-AMERICAN SECURITY.

AD A105446



S

DTIC  
ELECTE

OCT 10 1981

STRATEGIC ISSUES RESEARCH MEMORANDUM

D

10 Gabriel Marcella

11 15 Jun 81

12 45

DISTRIBUTION STATEMENT  
Approved for public release;  
distribution unlimited.

The views, opinions, and/or findings  
contained in this report are those of  
the author and should not be construed  
as an official Department of the Army  
position, policy, or decision, unless  
so designated by other official  
documentation.

DTIC FILE COPY

390230  
81 10 6 223

JIC

**STRATEGIC STUDIES INSTITUTE  
US ARMY WAR COLLEGE  
Carlisle Barracks, Pennsylvania**

**LATIN AMERICA IN THE 1980's:  
THE STRATEGIC ENVIRONMENT  
AND INTER-AMERICAN SECURITY**

by

**Gabriel Marcella**

**15 June 1981**

**DISTRIBUTION STATEMENT:**  
**Approved for public release;**  
**distribution unlimited.**

Accession For	
NTIS GRA&I	<input checked="checked" type="checkbox"/>
DTIC TAB	<input type="checkbox"/>
Unannounced	<input type="checkbox"/>
Justification	
By	
Distribution/	
Availability Codes	
Dist	Avail and/or Special
A	

## **DISCLAIMER**

The views, opinions, and/or findings contained in this memorandum are those of the author and should not be construed as an official Department of the Army position, policy or decision, unless so designated by other official documentation.

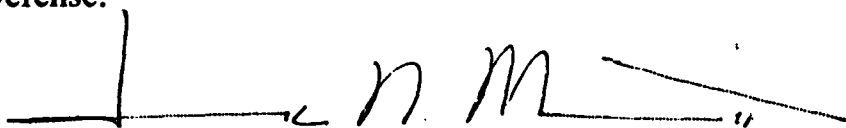
Composition of this memorandum was accomplished by Mrs. Jessie Grove.

## FOREWORD

This memorandum addresses the salient characteristics of the Latin American geopolitical environment for the next decade. The author defines US interests in the area, discusses trends in the Caribbean, Central America, and South America, and then considers the implications for Inter-American security. He concludes that the United States must be prepared to articulate its security interests more broadly and make some accommodation with Latin American notions of security if it wishes to maintain useful relations with the Latin American governments.

The Strategic Issues Research Memoranda program of the Strategic Studies Institute, US Army War College, provides a means for timely dissemination of analytical papers which are not constrained by format or conformity with institutional policy. These memoranda are prepared on subjects of current importance in areas related to the authors' professional work.

This memorandum was prepared as a contribution to the field of national security research and study. As such, it does not reflect the official view of the College, the Department of the Army, or the Department of Defense.

A handwritten signature in dark ink, appearing to read 'J. N. Merritt', is written over a horizontal line. The signature is stylized with a large 'M' and a long horizontal stroke extending to the right.

JACK N. MERRITT  
Major General, USA  
Commandant

### **BIOGRAPHICAL SKETCH OF THE AUTHOR**

**DR. GABRIEL MARCELLA** is a graduate of St. Joseph's University and holds a master's degree in history from Syracuse University and a doctorate in Latin American history from the University of Notre Dame. He was awarded a Fulbright-Hayes fellowship for postgraduate study in Ecuador, 1964-65, and taught at Temple, Notre Dame, and Indiana Universities. Dr. Marcella has written on a broad range of topics dealing with Latin American history and politics, international security affairs, Italian communism, and Iberian security. He joined the Strategic Studies Institute in 1974.

## **SUMMARY**

Latin America is becoming more important in the world community, a fact which can be seen subregionally in Mexico, Central America, the Caribbean, and South America. The next decade will see the continuation of important geopolitical changes: the continued growth of strong and effective national governments, the competition for resources, the resurgence of traditional rivalries and border tensions, and the diffusion of military power to include the possibility of nuclear proliferation. In addition, Latin America will be less and less beholden to the policy preferences of the United States. Indeed, multipolarity will engender a loosening of traditional alignments that will grant greater flexibility to the Latin Americans. The region's increasing importance requires developing a new framework for a meaningful dialogue on the substantive issues of Inter-American security in its broadest sense, economic as well as military.

**LATIN AMERICA IN THE 1980's:  
THE STRATEGIC ENVIRONMENT  
AND INTER-AMERICAN SECURITY**

This essay considers the salient characteristics of the Latin American geopolitical environment for the next decade. The division of labor will be functional and geographic, with a delineation of US interests followed by a discussion of trends in the Caribbean, Central America, and South America, and the implications for Inter-American security.

*US Interests in Latin America.*

The enduring interests of the United States can be subsumed under three categories: ideological-political, economic, and strategic—none of which can be discussed separately without overlap. The major conclusion of this essay is that on balance Latin America will be more important to the United States and to the world community precisely at a troubled period in US-Latin American relations, which is also reflected in military relations—a period full of risks and opportunities. Moreover, the United States views Latin America all too frequently in narrow strategic terms, while relegating it to a subsidiary position in its foreign policy concerns. It finds it difficult to relate constructively to the changing nuances of the Latin American environment, to those processes



that are making Latin America and its distinctive national components more formidable factors in world affairs. As the primacy of the United States in world affairs yields to interdependence and to the proliferation of new forms and new centers of power, such a failure will be a liability for its national security.

*Ideological-Political.*

For two centuries the United States has viewed Latin America as an area deficient in those attributes, values, and institutions associated with its own historical experience. With a mixture of altruism, ethnocentrism, "manifest destiny," and "imperialism," the United States regarded the benighted offsprings of Catholic Spain and Portugal as worthy of a moral reclamation along the lines of democracy, constitutionalism, and free enterprise, irrespective of those objective conditions which argued that such was not possible in Mediterranean and corporatist Latin America. Elements of the reclamation project have been present in various forms at different times—Manifest Destiny, the Monroe Doctrine, the Alliance for Progress, the Good Neighbor Policy, the Western Hemisphere Idea, the Wilson corollary, the human rights program, the Pan American movement, the Inter-American system, and the "special relationship." The results have always been mixed. Latin Americans persist in trying to find a middle approach for their internal political organization. While they do not forsake democracy they tend more towards the concept of "guided democracy," developing corporatist approaches to secure their political and socioeconomic development. Through a multitude of actions and statements in its history with Latin America, the United States has advocated democracy and its supporting institutions. This maximalist position is slowly yielding at the official level to a more realistic position that hopes for a Latin America free of extremes of both left and right. Nonetheless, US foreign policy elites, academics, and many elements of the concerned citizenry continue to view all too frequently the alternatives in terms absolutes—of participatory democracy versus military authoritarianism, of capitalism versus socialism, of pro-American versus anti-American, of human rights versus repression. There is little indication that of these respective elements the alternatives will be any clearer in the 1980's—a period when the United States

will be coming to grips more and more with the realization of its own imperfections and to the conclusion that much of the world is neither ready nor safe for democracy. Nonetheless, it appears that for many years to come the United States will continue to state ideological-political alternatives for Latin America with wholly predictable results—misunderstandings and tensions. This will be evident as some Latin American states tend in the future towards more conservative consolidation while others, particularly in Central America and the Caribbean, experiment with new political formulas to secure their national integration.

Political solidarity is an important interest for the United States in Latin America. The Latin American group comprises a large and influential international voting bloc in negotiation between the industrialized and developing countries, and active in a variety of international bodies. Until recent years the bloc has supported US policy initiatives, but this congruence has been eroding as Latin American states broaden their ties in North-South, East-West directions, and avoid automatic alignments in the context of the superpower division of the world. The institutional embodiment of political solidarity in the Hemisphere has been called the Inter-American system, a series of written and unwritten understandings advocating a community of interests and approaches in hemispheric affairs, and an unified front in world affairs. Mostly an ideal rather than a reality, the system's relevance has weakened as the result of a number of environmental changes with important regional consequences: detente, the emergence of multipolarity, the decline of the US economic and military primacy and the demise of its regional hegemony. As the US power profile is declining, that of Latin America is on the rise. Latin America depends less upon the United States while it participates more in world affairs. The evidence for this heightened participation demonstrates the complexity of Latin America's developing international position: diversifying trade patterns in a North-South direction and increasingly in an East-West Southern Hemisphere direction (e.g. Brazil into Africa, Middle East members of the Organization of Oil Exporting Countries into Latin America); leadership in initiatives in Law of the Seas deliberations; Brazil's role in addition to that of Argentina as a major food exporter (number two in the world); the addition of Mexico's perhaps as much as 250 billion barrels of hydrocarbons to the world's supply; the diffusion of conventional

military power; the potential for nuclear proliferation in the 1980's and 1990's (Brazil and Argentina); Cuba's Third World activism; and the recent entry of the Soviet Union into regional affairs—most palpably in the Caribbean, Peru, and in the Southern Cone. All of this has been occurring against a background of revolutionary upheavals in Central America (Nicaragua and El Salvador) and the disturbing problems of newly emerging and economically weak states in the Caribbean (such as Grenada, Guyana, Jamaica, St. Lucia, and Dominica). Thus Latin America can no longer be viewed as “neither decisive nor influential” in global terms, and of minimal strategic concern to the United States.

While regional trends are inserting Latin American countries more into world affairs, there are important developments at the national level that will have an increasingly important impact on political relations with the United States. A majority of the larger continental Latin American states are developing as more integrated nation-states, with more effective administrative systems that are improving the national socioeconomic infrastructures. The increasing effectiveness of the state exists, however, alongside some of the traditional dilemmas of all developing areas: how to simultaneously maximize economic productivity, sociopolitical participation, as well as a more equitable distribution of the economic pie without engendering the tensions that erode the government's bases of support. The improvement of their internal cohesion combined with their improving economic condition will add to their international profile. Moreover, Latin American countries, notably Brazil, Peru, and Chile, have elaborated and implemented comprehensive national security doctrines that equate development and social integration with national security. In the 1980's Argentina, Brazil, Chile, Colombia, Mexico, Peru and Venezuela—the seven largest continental states—and Cuba will be the most influential in international affairs, with Brazil steadily increasing its salience as the primary regional power, with a further claim to become the first major power in the Southern Hemisphere. Costa Rica, despite its size, will continue to be an influential spokesman for democratic values.

As stated previously, Latin America's new dynamism coexists with some of the traditional weaknesses. It remains on the whole an economically and technologically dependent area and no regional economy has developed the infrastructure and the sustained high

TABLE 1

## LATIN AMERICA IN THE WORLD ECONOMY

National Product and Population of Industrial Countries,  
Developing Countries and Latin America, 1960, 1970, 1975 and 1978

	Gross National product (Billions of US dollars at 1978 prices)	Population (Millions)	Per capita product (In 1978 dollars)
Industrial Countries			
1960	\$2,515	569	\$4,420
1970	4,109	628	6,543
1975	5,297	654	7,270
1978a	5,378	664	8,099
Developing Countries (excluding OPEC countries)			
1960	518	1,428	363
1970	892	1,810	493
1975	1,186	2,034	583
1978a	1,374	2,181	630
Latin America			
1960	147	202	728
1970	252	266	948
1975	347	304	1,141
1978	396	329	1,204

Source: Inter-American Development Bank, Economic and Social Progress in Latin America, 1979, Washington, DC, page 5.

rates of internal investment necessary to generate self-sustaining economic growth—i.e., the status of a developed economy. At the same time, it can no longer be included under the vague rubric of the underdeveloped, since its levels of infrastructure and industrial sophistication are higher than all other parts of the Third World, witness Brazil's, Argentina's, and Mexico's advanced industrial capabilities. See Table 1 for a measure of Latin America's relative standing in the world economy. Nonetheless, most countries retain urban-rural and class imbalances in which major portions—indeed majorities—of the population are not participating in the benefits of growth. Income differentials are widening rather than

diminishing. What this means for the growth of integrated nation-states is troubling, for income and satisfaction levels must rise more uniformly.

The 1980's promise a continuation of narrowly based governments, civilian-military technocratic in form, attempting through a variety of strategies to resolve these problems. US policy, in the past imbued with the Alliance for Progress type of developmental activism, must be sensitive to the dilemma posed by the developmental imperative since it generally espouses positive evolutionary change toward democracy in the region.

### *Economic Interests.*

The economic interests of the United States are considerable and growing. Latin America is a major market for US products and investment and an important source of raw materials, including such critical ones as petroleum, copper, tin, and bauxite.<sup>2</sup> Total US-Latin American trade reached \$59 billion in 1979, an increase of some 30 percent over 1978. US exports to Latin America and the Caribbean now approximate those to the European Community and are nearly four times larger than US exports to the rest of the developing world.<sup>3</sup>

The Latin American market will be of increasing importance as the United States adjusts to the imperatives of interdependence in the 1980's. In recent years Western Europe has displaced the United States as the region's major trading partner. To give some perspective to this process it should be noted that, in 1945, Latin America's imports from and exports to the United States were respectively 57.7 percent and 49 percent of its total, while in 1975 these declined to 30.6 percent and 35.5 percent.<sup>4</sup> During this 30 year span the United States became dependent upon a greater diversity of suppliers as its need for certain commodities increased.<sup>5</sup>

The US need for petroleum imports will probably stabilize at about 40-50 percent of its total needs in the next decade. In an energy-scarce environment, it ought to be emphasized that Western Hemisphere reserves, proven and possible, may be the largest in the world—when Mexico's 250 billion are added to Venezuela's two trillion barrels tar belt (50 billion of which are recoverable with present technology at an estimated cost of \$5 to \$13 per barrel—far below the prevailing \$30-\$35 world price), what appears to be a rich geological formation between Argentina and the Falkland Islands,

Guatemala's potential 2-16 billion barrels, and Canada's considerable reserves. Petroleum is only one indicator of Latin America's future importance to the world economy. Brazil already exports a wide variety of complex industrial products, such as electronics, airplanes, military equipment, and automobiles. Venezuela is sowing its large petroleum income to develop an iron and steel industry for export. In addition, Mexico and Argentina possess highly diversified economies that are developing comparative advantages.

### *Strategic Interests.*

The primary strategic interests of the United States in Latin America are: access to resources and markets, a level of strategic equilibrium to preclude contingencies requiring major diversion of resources, and access to bases, facilities, and lines of communication. Preferring to secure its strategic interests in Latin America through "economy of force" policies, the United States deploys a limited number of forces to the region—chiefly in Panama to defend the Canal, to administer security assistance to regional clients, and to maintain a military presence. Naval and air elements are located at Roosevelt Roads, Guantanamo, and in Key West (a joint Task Force) headquarters for maritime surveillance, defense of lines of communication, training, and political presence. Until recently the environment in the US strategic "rear" posed no problem in terms of its larger global responsibilities. That environment is becoming less benign as the result of: the emergence of the Soviet navy's blue water capabilities, which among other things places Soviet ballistic missile carrying submarines in the Caribbean; Cuba's activist role in support of the leftist movements in addition to its Soviet linkage; the possible demise of a friendly Central America as Nicaragua moves leftward and El Salvador is subjected to leftist insurgency; and the increasing importance of the South Atlantic as the lifeline of North Atlantic economies because of the transit of the major portion of Persian Gulf crude. Moreover, there is the widening perception within Latin America that the United States can no longer be counted upon to moderate regional conflict, or to even attend to its Rio Treaty collective security commitments. At the same time there is a generalized view that collective security ought to include economic development. Although the United States has publicly rejected this position, there

are indications that the United States finally understands that military sufficiency does not assure security. With this realization the United States should pursue a more comprehensive security policy in the 1980's with its Latin American partners. Indeed this has been the pattern in its relations since 1940. When a strategic challenge arises the United States responds to Latin American aspirations for economic development, e.g., the Export-Import Bank lending in World War II, the Eisenhower support of the Inter-American Development Bank after Vice-President Nixon's trip to Latin America in 1958, the Cuban Revolution and the Alliance for Progress.<sup>6</sup> The emergence of Socialist and Marxist governments in the Caribbean and Central America is creating a similar response as the United States attempts economic instruments to strengthen these countries' options for pluralistic political development. What may in fact be developing in the 1980's is greater US-Latin American agreement on hemispheric security that goes beyond the concept of solely military collective security.

#### *Subregional Change - The Caribbean.*

Events and trends in the Caribbean are heightening the concern of the United States about the security of its southern flank. Three complementary trends are occurring with disturbing consequences: the proliferation of new sovereignties, economic impoverishment, and a new wave of Cuban activism. The newly emerging English speaking mini and microstates (Grenada, St. Lucia, Dominica, St. Kitts-Nevis, St. Vincent) along with some of the larger and more established ones, such as Jamaica and Guyana, confront a cruel Hobson's choice—a future that in many ways will be dimmer than the immediate colonial past. The future promises economic stagnation, inflation, emigration, unemployment and underemployment—conditions which will test the resilience of their English parliamentary tradition. The smaller states are fundamentally unviable by themselves and will require outside subsidies for their survival. Regional economic integration is a partial answer, but there are serious problems in bringing into cooperative relationships small insular societies whose economies are often competitive, in such commodities as sugar and tourism, and who have a weak tradition of cooperation. Moreover, in many cases there are severe internal cleavages along racial lines.

Consequently, Caribbean governments experiment with indigenous forms of socialism—such as Jamaica's vague "democratic socialism" and Guyana's "cooperative socialism"—in order to unify their societies. The results are disappointing. Under Prime Minister Manley, Jamaica has been on the brink of financial collapse while burdened with political violence between the two contending parties.<sup>7</sup> The recent election of Edward Seaga as Prime Minister signals a moderate redirection of Caribbean politics.

In their quest for economic development and in an effort to secure their internal bases of support, the English Caribbean countries are diversifying their international relations, such as through nonalignment and possible economic relations with the Socialist bloc. Nonetheless, the United States will be the principal source of capital investment, technology, aid, and the main market for the region's products and surplus labor. In addition, the power vacuum left by the rapid British withdrawal from its colonial role and the new Cuban activism urge the United States to assume a more direct role in addressing regional problems through economic and security assistance.

Caribbean countries feel compelled to project themselves as more autonomous in foreign affairs. This search for autonomy creates a more complex regional international system that places constraints upon the United States. The case of Belize, formerly British Honduras, a thinly populated English speaking entity on the Caribbean coast of Central America which seeks independence from Britain as well as a security guarantee from London that will protect it from Guatemala's territorial pretensions, demonstrates the constraints placed upon the United States as a concerned mediator for the three parties.<sup>8</sup> If the countries are more autonomous in the conduct of their foreign affairs, the external big powers may be unilaterally less decisive in local conflict resolution. Recent developments in the Eastern Caribbean confirm these observations. In March 1979, Grenada opposition leader Maurice Bishop seized power from the eccentric prime Minister Sir Eric Gairy, marking the first instance of a successful coup in the English Caribbean—an area where the parliamentary system has taken deep roots. Since then Grenada has installed a left wing government with close ties to Cuba. Fearful of similar takeovers, Barbados, St. Lucia, Antigua, St. Kitts-Nevis, Dominica, and Montserrat asked the British to help establish an East Caribbean



emergency policy force.<sup>9</sup> Grenada demonstrates another disturbing aspect in the future Caribbean environment—the ministates are vulnerable to takeover by small bands of well-organized revolutionaries, and although Cuba was not directly implicated in the overthrow, it stepped in quickly to provide assistance to the Bishop government.

*The Special Case of Puerto Rico.*

Puerto Rico has the potential to be the most troublesome area for the United States in Latin America in the next 10-15 years. It is already an economic and ecological disaster; its nearly 30 years of commonwealth status have left the island with large unemployment (about 40 percent), the highest distribution of food stamps in the United States (50 to 60 percent of the population is eligible), and a strong yearning for improvements in the political status of the island. Improvement in status means that probably at least 50 percent of the population no longer accept the current status.<sup>10</sup> Statehood is in the ascendancy, but may not yet command an overwhelming majority (66 percent +) of Puerto Ricans. The following scenario by Yale University scholar Alfred Stepan was seen as entirely plausible prior to the November 4, 1980 elections: The third status referendum is held in 1981-83 under the auspices of pro-statehood Governor Romero Barcelo and statehood wins by less than a convincing majority (50 to 60 percent).<sup>11</sup> The US Congress consequently fails to pass the implementing statehood legislation, fearing that this is not a sufficient popular mandate, thus throwing the matter back to the Puerto Rican electorate for a fourth referendum. In the meantime, the congressional action is interpreted by Puerto Ricans as a rejection, giving greater support to the independence option. There are two major independence movements on the island—the traditional Independence Party and the Puerto Rican Socialist Party (Marxist), with ties to Cuba. Such a turn of events would hasten the complication of the status issue, which might in turn cast doubt upon the continuing validity of ties with the United States. Puerto Rico's political status may thus become a very troublesome issue for the United States. What is recommended at this point is a thorough discussion of the status question in Puerto Rico and the mainland and the appointment of a joint Puerto Rican-US high level commission to make policy recommendations on the best solution. It may be distasteful for

many Americans and Puerto Ricans to contemplate but the independence option is entirely within US law, moreover, economic viability is not a *sine qua non* for independence. Even more distasteful by the 1990's would be a Puerto Rico distanced from the United States as a result of mistakes in policy judgments made in the 1980's.

The results of the November 4th island gubernational election, wherein incumbent Carlos Romero Barcelo won by a plurality of about 2,000 votes over commonwealth advocate Rafael Hernandez Colon, highlight the continuing dilemma. The statehood option was dealt a serious blow and plans for a referendum shelved for the indefinite future. In this context independence may turn out to be a beneficiary. The issue will remain unresolved for some time and the status question will vex US-Puerto Rican relations into the 1990's.

*Cuba, The Soviet Union, and the United States.*

Cuba, by virtue of its activist and sophisticated diplomacy, Soviet support, forceful involvement in Africa, its relations with Caribbean and Central American governments and revolutionary movements, has become an important force in international affairs. This is so despite the fact that Cuba's Socialist revolution is an unmitigated disaster—a verdict rendered eloquently by the 10,000 tenants of the Peruvian embassy in Havana in spring 1980 and the 120 thousand or more who rejected Cuban socialism by seeking asylum in the United States. Internal failures are seldom reflected in its capability to project power and influence into the region. Abandoning the old and discredited technique of exporting revolution, Cuba works through state-to-state relations in projecting itself as a disinterested and fraternal developing nation, anxious to assist, for example, Nicaragua to rebuild from its disastrous civil war of 1978-79 with the dispatch of approximately 6,000 foreign aid and security assistance personnel. It cultivates this image also with Jamaica, Guyana, and Grenada, while at the same time maintaining its options open with national revolutionary movements by funneling clandestine assistance—its role apparently in El Salvador and Guatemala.

In the 1980's Cuba will continue to develop as a bureaucratic Communist state, no closer to the socialist utopia. According to the December 7, 1979 speech of President Fidel Castro to party cadres, there are grim days ahead for the Cuban populace—he promised

them 20 years more of austerity.<sup>12</sup> Cuban foreign policy will reflect the blend of pragmatism and revolutionary activity, and be closely coincident with that of the Soviet Union. Yet the costs of association with the Soviets will bear heavily upon Cuba; it will be economically, ideologically, and politically costly in the 1980's as the Cubans strive for more independence from the Soviets. Unless certain geopolitical realities are changed, Cuba will have little choice but to be a bleak, pro-Soviet dictatorial system. Those realities are as follows: minimal diplomatic or trade relations with the United States, a growing Soviet subsidy of the Cuban economy (now \$10-15 million per day), a weak economy heavily dependent upon external trade and sugar, a mutual perception of hostility between the United States and Cuba, and a Cuban international role out of proportion with its national elements of power—10 million people and active armed forces of about 175,000.

It is Cuba's activist foreign policy linked to the Soviet Union that is of major strategic concern to the United States. By the sheer will to be active and assertive in foreign affairs Cuba enhances its limited power capabilities and probably perceives that it enhances its bargaining position with both the United States and Soviet Union. It pursues an aggressive foreign policy backed by military forces and economic and security assistance programs adequate to many Third World environments, where a minimum application of resources is sufficient.

Cuba's association with the Soviet Union is resented by many Third World nations who advocate nonalignment with any single bloc—a lesson brought home by the proceedings of the September 1979 summit meeting of the nonaligned nations in Havana, where a number of them criticized Cuba for its pro-Soviet stance. This lesson was underscored by the Soviet invasion of Afghanistan, which left Cuba with the historical dilemma of having to approve the invasion of a nonaligned country by the leader of the Socialist world.

The contradictions in Cuba's foreign and domestic policies will not disappear in the 1980's. US policy can have some impact on modifying the geopolitical realities that compel Cuba in that direction. The ideal from a US standpoint would be the elimination of communism in Cuba and the reintegration of a democratic Cuba into the Inter-American community. Such an option is not available in the short and medium term, because of the internal

system of control and because of Cuba's dependent relationship with the Soviet Union. There does not seem to be any potential for a successful counter-revolutionary upheaval from within Cuba nor for an adequate replacement for the Soviet sugar daddy. The best the United States can hope for in the short term is a Cuba more autonomous of the Soviets, and thus less eager for joint political and military activities that damage US interests. A useful analogy here would be Yugoslavia—an autonomous Communist state at the geopolitical doorstep of its enemy, the Soviet Union, sensitive to the reality that the Soviets consider it a renegade, but able to maintain itself as different, not unfriendly to the West, while at the same time nonaligned. This analogy does not overlook the stark differences between Cuba and the United States, between Eastern Europe and the Caribbean, and the pivotal and contrasting personalities of Tito and Castro. The United States should devise approaches that strengthen Cuba's chances of exercising greater autonomy in its relations with the Soviets. This requires putting more emphasis on Cuban national interests in the context of trilateral US-Cuban-USSR relations. Despite the fashion in US policy, Cuba is not a pawn or surrogate of the Soviet Union. The United States should target those Cuban interests and interest groups that aspire for system reform and autonomy from the Soviet Union—two fundamental drives in all Communist societies, as Eastern Europe has amply demonstrated. As long as the United States is perceived to be the enemy of Cuba and as long as the Soviets are perceived as indispensable for Cuba's survival, the chances of weakening Soviet-Cuban ties are minimal. The prescription is nothing new—normalization of relations in order to begin the long and difficult process of weaning the Cubans from the Soviets. This will provide alternatives to the Cubans for their national security concerns and nurture more hope for internal system reform. There is no guarantee that such an approach will bear fruit by 1990, but 20 years of mutual hostility have certainly not produced positive results for the United States and Cuba.

#### *Mexico.*

While a favorable Caribbean environment is important for the security of the United States, Mexico is becoming vital to the functioning of the American economic system. The fifth largest trading partner of the United States, Mexico confronts the critical

question of how to maximize the benefits of newly found petroleum wealth before its internal socioeconomic problems reach unmanageable proportions. Often overlooked is the fact that Mexico is the closest Third World country, with serious internal socioeconomic problems such as unemployment, underemployment, inflation, low agricultural productivity, rapid urbanization, and a rapidly expanding population of 70 plus million which will surpass 100 million by the year 2000 and may well overtake the United States by 2025. Because of proximity and the increasing level of economic and sociocultural integration with the industrial colossus to the North, Mexico's problems automatically become those of the United States and vice versa. This interdependence is well illustrated by the issue of undocumented aliens and its impact upon a range of policy areas in the United States: border security, treatment of migratory labor, community social services, labor-management relations as well as the entire spectrum of US-Mexico bilateral relations.

Mexico's energy reserves—60 million barrels of oil and gas in proven reserves, another 34 billion probable, and 250 billion potential—demonstrate another dimension of interdependence. With such reserves, Mexico may become the second largest oil supplier to the world in the 1980's, with a corresponding potential to influence world power relations. The energy deficient United States is a natural market for Mexican petroleum. By reducing US dependence upon Middle East oil, it will provide a more secure source not vulnerable to maritime interdiction or political interruption. Mexican oil may account for 20-25 percent of the US imported oil needs in the 1985 timeframe. Such a calculation is, however, highly contingent upon the evolution of Mexico's oil production policy—which will be determined by its national priorities. President Lopez-Portillo spoke unequivocally of these priorities in the following terms:

Organize our society in such a way as to generate labor-intensive projects financed with our oil resources and designed to permit us to make use of the other natural and human resources which we possess....

*and*

We have 20 to 30 years in which to organize our country so that it can enter the next century as a full employment society.<sup>13</sup>

Mindful of the lessons of Iran, Mexico will be reluctant to inject oil revenues into its society at a pace which might accelerate inflation, create undeliverable economic demands, strain the social fabric and undermine support for the government. Nonetheless, oil revenues will dramatically improve Mexico's trading position and have the potential, if properly developed, to become a positive factor in reducing outward migration into the United States. Trade between the United States and Mexico reached \$12.7 billion in 1978, up 34 percent from \$9.5 billion in 1977, and is expected to grow rapidly as Mexico strengthens its export position, particularly in oil, and as its market for US products enlarges.

It is evident that Mexico merits a much higher priority in US policy making. The increasing integration of the societies calls for greater integration of policies. Mexican affairs will simply demand a more coordinated higher level treatment than has heretofore been the case in the United States. Luigi Einaudi, Director of Policy Planning at the Bureau of Inter-American Affairs of the Department of State, argues for a clearer conceptual framework for policymaking, and favors a community approach in which "Mexico would be seen as a partner whose growth and importance as a neighbor make a common future highly desirable if not inevitable."<sup>14</sup> Lopez-Portillo called for a similar approach:

...we have proposed to the Carter administration...an overall approach to dealing with our problems, considering each in its proper place...whether the problems concern immigration or are financial, commercial, monetary, diplomatic, or a matter of general policy, they should all be examined within this overall approach, because if we continue to deal with them in an isolated fashion, they will never be resolved.<sup>15</sup>

On trade, the Mexican President urged "reasonable understandings on trade with the United States that would allow us to take advantage of the complementary nature of our two economies."<sup>16</sup>

A Mexico that is politically democratic and economically prosperous is in the best interest of the United States. At the same time the United States and Mexico confront some common issues in the area of security. Both are more dependent upon each other economically, while Mexico is developing the attributes of a major force in world affairs. Managing these processes is a serious challenge to both countries. Although Mexico is sensitive to such a notion the two will have to develop some common approaches to

regional security as part of a larger North American security concept or what some call North American Interdependence that also includes Canada.

### *Central America.*

The revolutions in Nicaragua, where the military phase ended in July 1979, and in El Salvador, where a Marxist insurgency threatens the reformist military-civilian government, typify the problems of societies in transition from narrow elite control to broadened popular systems. The transition is worrisome to the United States because radical left authoritarians may come to power in Central America. The area's problems are deeply rooted and have no easy short or medium term solutions. Moreover, the political alternatives, with the exception of Costa Rica and possibly Honduras (scheduled to return power to civilians in 1981), may be repressive systems of the left or of the right. Monocultural and export oriented agricultural economies, with a high concentration of the ownership of land, combine with highly-stratified social structures and closed political systems to make balanced national development problematic. The United States has been traditionally committed to development through foreign aid intended to improve living conditions through increased agricultural production, industrialization, and the hope of longer-term redistribution of income. Additional socioeconomic improvements require structural changes, especially agrarian and tax reform, (implemented in El Salvador in early 1980 and in Nicaragua since the fall of Somoza) for which an effective political consensus has yet to develop. The United States has been in the past closely identified with the narrowly based governments that oppose change—the military institutions—through military assistance intended to raise their level of professionalism and that of civilian dominance. In actual fact, the former may have been achieved at the expense of the latter.

The struggle between those who favor and those who oppose substantive political, economic, and social change is the principal source of the contemporary conflicts in Central America. Moreover, Guatemala, El Salvador, and Nicaragua possess distinctive structural characteristics that promote internal conflict. Briefly these are:

- An endemic cultural and historical pattern of fraud and political violence for bringing about or precluding change.

- Inequitable distribution of income and land.
- Related inadequate and frequently stagnating agricultural productivity.
- Oligarchical political systems that fail to address the interests of the masses.
- The lack of alternative moderate civilian leadership elements.
- Highly-stratified social structure which precludes mobility to the majority of the population. This combines with pervasive conservatism and acceptance of the status quo by major sectors of society.
- Putatively modernizing military governments (Guatemala, El Salvador, Honduras) committed to the goals of national development, who frequently undertake cosmetic reforms designed for short-term rather than long-term reform objectives. Moreover, they are authoritarian governments operating in political cultures that lack institutionalized alternatives for resolving political disputes and are technically incapable of managing the difficult process of national development.

A likely political evolution for Nicaragua is a mixed leftist-socialist government with broad internal support until moderate and conservative elements regain some influence. Against this background Nicaragua has yet to face the crucial question of how to conduct the peaceful revolution. While the political revolution may be over, the socioeconomic revolution—that of creating a more just and prosperous society—has hardly begun. US policy should strengthen the option for the Nicaraguan people to maintain pluralism, thus avoid "...falling prey to the kind of inefficient and shabby dictatorship that Fidel Castro last December (December 27, 1979) described as the lot of the Cuban people today."<sup>17</sup> The United States should not repeat the mistakes made in Cuba two decades earlier.

While Nicaragua consolidates into a possible political stalemate, El Salvador, the other domino in Central America, confronts insurgency from both the Marxist left and the conservative right. A country that has postponed meaningful reform for decades under military government is now trying to broaden support for the narrowly based government while that government tries to maintain internal security and at the same time conduct tax and agrarian reform—a formidable task even in peacetime. If the leftist insurgency triumphs, a hard-line Marxist-Leninist takeover is



entirely possible. Such a scenario would put pressures on Guatemala and Honduras. If these dominoes fall there is a prospect of a larger Soviet and Cuban presence in the area.<sup>18</sup> Such a development would have serious strategic consequences for the United States: its southern flank would be partially occupied by hostile elements, thereby complicating the threat assessment.

Another possibility is international war in Central America in the 1980's between moderate countries, Honduras and Guatemala, and radicals, El Salvador and Nicaragua. This would replay a familiar theme in Central American history and probably involve the United States and the Inter-American system for conflict mediation. The only alternative for the United States is to support the beleaguered government's effort to improve its capabilities to maintain security, govern, and carry on with the formidable task of socioeconomic reform. Even if these objectives are realized, the continuation of civil strife in El Salvador is possible for years to come. It is incumbent that the United States forge cooperative relations with the forces for change in both Central America and the Caribbean and strive to channel these forces in the direction of moderation and pluralism. The process of change comes at a time when the US leadership position in the world is in decline and at a time when the demands on its limited resources are greater than ever. To paraphrase former Secretary of State Cyrus Vance: if the United States wishes to maintain a leadership position in the world it must use those resources. Furthermore, it goes without saying that if the United States cannot handle strategic challenges in its own backyard, its credibility is suspect elsewhere, particularly in South America.

#### **SOUTH AMERICA IN THE 1980's: THE BIG POWERS AND THE NEW NATIONALISM**

The United States traditionally views the bigger and more self-sufficient powers of South America differently from its Caribbean and Central American neighbors. Venezuela, Colombia, Peru, Chile, Brazil and Argentina have better developed state systems, relatively large populations, better resource bases, and not coincidentally, more professional military forces. The smaller states of Bolivia and Ecuador are in a strategic context more akin to Caribbean and Central American counterparts. Uruguay, once a

prosperous and advanced society, has had serious economic and political problems which will continue to trouble its evolution in the 1980's as it attempts to build a political system on the debris of the Tupamaro insurgency and the consequent military government. Moreover, the big South American powers are diversifying their international economic and political relations, while they develop stronger economic bases. At the same time, it is precisely with the South American powers that the United States is currently having serious disagreements on human rights and nuclear-proliferation matters that touch deeply the respective national interests. This in turn affects the substance of Inter-American security, for there is no meaningful entity without cooperative relations with these influential and strategic nations. It is also the big powers that elaborated and implemented comprehensive national security doctrines that stress the correlation of social, economic, political, and military factors—that a nation is not secure unless it possesses the requisite socioeconomic and political integration.

In South America more effective and powerful states are emerging that are able to articulate and defend their national interests, and in the not too distant future attend more adequately to regional defense responsibilities. The impact on regional politics is the renaissance of dormant border issues, and heightened competition for subsoil and maritime resources, and for spheres of influence. Since the 1960's there has been an increase of border related conflict, the most serious being the Chilean-Argentine dispute over the Beagle Channel.<sup>19</sup> The future may be more conflictual at a time when the perception of US "hegemonial" control is waning. In the center region Brazil pursues economic expansion in the direction of Uruguay, Paraguay, Bolivia, and Peru, Venezuela and Colombia. On the west coast, Peru, Chile, Bolivia, Ecuador and Argentina are deeply concerned once again about old territorial questions—particularly the Tacna-Arica issue that directly involves Peru, Chile and Bolivia, and indirectly Ecuador and Argentina.<sup>20</sup> The jurisdiction dispute in the desolate Beagle Channel involves the three islets of Picton, Nueva, and Lennox. The issue is not so much the islands, but territorial sea delineations that affect Antarctic claims and the exploitation of oil and krill in the area. The dispute led to the largest troop mobilization in Latin America since the 1930's Chaco War and almost precipitated war in late 1978 until the timely intervention of

papal mediation.<sup>21</sup> While the issue is being decided the respective parties maintain military readiness and the outbreak of conflict is not discounted if the papal decision is deemed unfavorable by either side. The dispute triggered a vast arms purchasing program by Argentina. That country purchased over \$3 billion worth since 1977, while Chile, cut off from its traditional supplier, the United States, shopped extensively world-wide to defend both its northern and southern borders.

Important also is the recent entry of the Soviet Union into South American international affairs. The Soviets first entered the South American arms market after 1974 by selling Peru \$2 billion plus worth of tanks and aircraft, whose ostensible purpose is operations in the Atacama desert spanning Chile and Peru. The Soviet entree has roots in the refusal of the United States in the late 1960's to sell sophisticated aircraft to Peru and points up the hazards of an arms transfer policy of unilateral seller's restraint. As a partial result of this policy the United States is not a decisive factor in the Latin American arms market; France, Germany, the Soviet Union, and Israel are more important suppliers. Lately there has been a warming of Soviet-Argentine relations, as the Soviets have broadened their economic and technical exchanges. In response to the US-sponsored 1980 grain embargo the Soviets have found a substitute source and an eager seller in Argentina. A telling indicator of the declining influence of the United States in the strategic southern cone was the failed visit of General Andrew Goodpaster, sent by the Carter Administration as a diplomatic emissary to line up Argentine and Brazilian support for the embargo. The usually staunch pro-US *O Estado de Sao Paulo* of Brazil editorialized that: "It would have been better if President Carter had sent the Argentine and Brazilian Governments a telegram recommending them to read the daily newspapers."<sup>22</sup> The Soviet entree into southern cone affairs has significant geopolitical ramifications beyond the immediate issue of wheat. While the Soviets are becoming more friendly to the Argentines, the Chileans, ideological enemies of Moscow since 1973, sense that they are being outflanked and are improving their trade and political relations with China and with Brazil. Thus the Beagle Channel issue has significant geopolitical implications beyond the specific states involved.

Politically, Argentina, Brazil, Chile, Bolivia, Peru, Ecuador,

and Uruguay are in the process of transitioning back to civilian government, with timetables for the devolution reaching 1990. Such plans should not be seen as the beginning of a democratic domino effect. These governments are evolving their own models of national integration—such as Chile's authoritarian corporatism—that seeks to break away from what they perceive to be the deficiencies of liberal democracy by establishing a stronger and more "organic" democracy that furthermore institutionalizes a permanent political role for the military in national decisionmaking.<sup>23</sup> The Chilean model is an adaptation of the national security doctrines evolved earlier by Brazil and Peru who in their own ways linked national security with socioeconomic development and forged civilian military technocracies to achieve the objective of national integration.<sup>24</sup>

Brazil and Chile have been relatively successful in generating gross economic growth and in eliminating the Marxist opposition. But these achievements have come at the cost of a suspension of the democratic political process, involving also the violation of human rights, and the further immiseration of the lower classes.<sup>25</sup> Chile is developing an economic model which emphasizes the elimination of government support for industries, the elimination of tariffs to force domestic producers to become more efficient, and the development of economic enterprises where Chile has comparative advantages—in such areas as lumber, fishing, fruits and vegetables, and petrochemicals. This breaks with the economic gospel of import substitution prescribed for three decades by the influential Economic Commission for Latin America headed by the Argentine economist Paul Prebisch under the auspices of the United Nations.<sup>26</sup>

In Peru's case the effort to promote a radical social revolution in a racially and geographically divided society created demands and expenditures that the government could not meet. Such efforts created inflation and a popular counterreaction that convinced the military reformers to disengage from public office and offer the baton once again to civilians. It appears that the political revolution begun in 1968 is incomplete in Peru and the 1980's may see Peru adjusting new power groups into national life.

In the 1980's the military institutions of Argentina, Brazil, Chile, Peru, and Uruguay will act as superintendents of the difficult process of political devolution to more civilian control. They will

be concerned about the reappearance of what they consider to be the political excesses that marked the liberal democratic experience of the 1960's and 1970's. With this in mind and the spreading of the so-called "national security state," relations between the United States and South American governments will be somewhat tense in the 1980's. Security relations of the type that existed between the United States and Latin American institutions will be weaker, particularly because of the declining level of the US military diplomacy, assistance, and sales in the area and because of the Latin American desire for independence in military equipment. New mechanisms may have to be developed and existing ones strengthened. Ultimately, the United States must adapt to the broader doctrines of national security emanating from South America.

#### *Brazil and Venezuela.*

Stefan Zweig remarked in 1939 that Brazil is the land of the future, echoing a refrain that must already be three centuries old. Indeed a major geopolitical development is the emergence of Brazil as the top Latin American power, and the one with the greatest potential to become the first southern hemisphere nation to achieve major power status. In recognition of Brazil's importance in world affairs, the United States entered into an agreement with that country to conduct high-level consultations on matters of mutual interest in international affairs—the February 21, 1976 Brazil-United States Memorandum of Understanding. The memorandum was further recognition that Brazil had reached a level of influence upon which the United States could rely to perform some functions of an ally in certain limited areas of international affairs and in regional security. Its importance is also confirmed by the following data: it is the largest country in Latin America, the sixth in the world in population (119 million), potentially the eighth largest economy by 1985, the second largest agricultural exporter, by far the largest military establishment in Latin America, and the sixteenth in the world in capabilities.<sup>27</sup> It possesses the theoretical capacity to produce and deliver nuclear weapons. In addition, Brazil is ranked number eight in civilian aviation—an important element of reach—and is developing an impressive maritime surveillance capability that will become increasingly important in the strategically critical choke point known as the Atlantic

Narrows. In this context it is building an air and naval base on the island of Trindade located in the South Atlantic some 1400 kilometers from the mainland.

There are dangers in assigning premature power status to a country with serious internal weaknesses. It may at best be an important middle power which, according to one expert, "has the strong potential through the 1980's to be one of the most important middle powers and will probably be taken more seriously by more nations."<sup>28</sup> At the same time Brazil exhibits the attributes of "a great power and tropical slum, an Austria inside an Indonesia, where social equity is ignored and unblanced development continues."<sup>29</sup>

The perception of Brazil's power ascendancy has fueled the traditional competition with its immediate neighbors—Argentina, Peru, and Venezuela. Argentina, an earlier claimant to leadership in Latin America, is hopelessly outdistanced by Brazil in elements of national power and only in the area of nuclear power development does it enjoy a technological lead. Argentina's internal political problems combine with Brazil's economic expansion into Uruguay, Paraguay, and Bolivia to exacerbate the regional competition. The issue of the two nation hydroelectric development project at Itaipu on the Parana River, involving Brazilian capital and technology and Paraguayan and Argentine territory, is evidence of the concern that Argentines have of falling behind Brazil in regional influence. The traditional rivalry does not prevent pragmatic approaches such as the recent joint Argentine-Brazilian agreement to exchange nuclear power technology and widen trade—in hope of longer-term economic integration.<sup>30</sup> Venezuela and Peru are in turn concerned about Brazilian territorial and economic encroachment in their border areas. Yet the Argentine-Brazilian agreement may spur cooperation rather than conflict.

In its quest for greatness (*grandeza*), Brazil will be slowed by two important factors: the lack of sufficient domestic energy sources and unbalanced internal socioeconomic development. Neither has an easy short or mid-term remedy. Nuclear power and alcohol will not make an appreciable dent into the energy deficit for some time to come. The notion of balanced and socially equitable internal development will require a decision to devise effective means of redistributing income without weakening the political system of

limited participation. A third factor may also be critical. Although Brazil's military-civilian technocratic government has a wide base of support, the expectation is that devolution to the civilians will be implemented in the 1980's. The transition may be destabilizing if the military decides to delay it or impose difficult preconditions.

In the succeeding decades, Brazil will challenge the creativity of US statesmanship and challenge entrenched views in policymaking. It already perceives a greater role for itself in the South Atlantic and has the potential to be a useful ally of the United States, particularly in building bridges between the Third World and the industrialized nations. It is developing an impressive maritime surveillance capability and exporting sophisticated military equipment, such as aircraft and armored personnel carriers. It is furthermore striving to achieve self-sufficiency in military hardware. Brazil may also achieve a modest nuclear military capability before the next century, which would encourage Argentina to do the same. It will thus be imperative to maintain a cooperative relationship as Brazil's importance rises.

This will be difficult for the United States and Brazil as both develop competing national interests. In this respect it should be noted that US-Brazilian relations have been tense in the past 10 years, with greater discord than agreement. For example, Brazil normally ranks among the lowest in agreement with the United States in United Nations voting on a cross section of issues. There is a potential clash of interests on trade, energy policy, nuclear and conventional military proliferation, and access to capital and technology. As one observer notes: "The United States is likely to have more reasons in the 1980's to conflict with capitalist Brazil than with Communist China."<sup>31</sup> The United States will have to devise ways to accommodate Brazil's power aspirations or face the prospect of more conflictual relations.

The prospect is not encouraging for the Inter-American security system. Brazil, a staunch supporter of hemispheric collective security, has traditionally made significant military contributions to the system and in support of US initiatives—the expeditionary force to Italy in World War II, the Inter-American contingents to the Dominican Republic in 1965, and to UN peacekeeping operations. Military relations have been unusually close with Brazil, but that closeness may no longer be reflected at the national political level.

Venezuela is an important source of petroleum imports for the United States—close to 3½ percent of petroleum products and crude oil. At the same time it is emerging as an important Third World power through its OPEC connections and through its assertive advocacy of a “new international economic order.” Regionally it is an active member of the Andean Group—comprised also of Colombia, Peru, and Ecuador—that has recently adopted important responsibilities in resolving local political disputes. For example, it was helpful in mediating the end of the Somoza government in Nicaragua. Venezuela’s emerging economic role in the Caribbean and Central America is significant and potentially a useful supplement to that of the United States. Moreover, the country recently proposed the concept of hemispheric consultations on energy between producers and consumers. This is indeed the kind of initiative the United States should promote, because it is in the interest of all concerned to develop cooperative approaches to energy security. The United States has an interest in diversified and dependable sources of oil. As a major customer, the United States must recognize the mutuality of interests and proceed to joint programs of energy development and energy conservation. Since the United States has such interests in common with all producers and consumers, it would be appropriate to create a meaningful forum for such discussions within the entire Inter-American community.

*Development and Military Relations:  
Implications for Inter-American Security.*

It is generally accepted that Latin America has a limited role to play in US world military strategy. Nonetheless, strategists have long attempted to define the value of the region in terms of US military requirements.<sup>32</sup> Latin America is pretty much on the periphery of the war scenarios conjured up for NATO-Warsaw Pact confrontations. Outside of the requirement to station forces in Panama and for the security assistance programs administered through the Southern Command, US military resources are husbanded for more critical areas of the world. Collective security, issuing from the hemispheric anti-Axis posture that became codified in the Trio Treaty of Reciprocal Assistance (1947) and thereafter elaborated into an anti-Communist alliance, was the conceptual framework that gave rise to a web of political-military relationships, bilateral as well as multilateral.



Through these relationships, formalized into security assistance pacts, the United States became for all practical purposes the main source of military doctrine, armaments, and training. Until the 1970's these relationships also had important political ramifications—they served to identify and align the Latin American military establishments, an important political elite, solidly in the direction of the West. It was also a fond wish of the United States that through US-sponsored training and exposure to a modern military system, they would become apolitical and help establish the bases for democracy. It turns out that Latin American military men are anti-Communist for institutional and cultural reasons and that greater professionalization and exposure to foreign assistance may in fact have increased their propensity to be politically active at the expense of civilian counterparts.<sup>33</sup>

In the days of collective security it was well understood that the United States would attend to the defense of the hemisphere in the unlikely event of an extracontinental threat to its security. Moreover, the United States could be depended upon through its leverage and the somewhat defective Inter-American peacekeeping machinery to mediate and moderate any local conflicts. This perception has changed in recent years—the United States is no longer the regional gendarme, while Latin American countries increase in their own capabilities.

At the same time, the Latins view their relations with the northern superpower ambivalently: the United States was seen as a protector against the outside threat and “a menace in her own right”<sup>34</sup> to their national interests. Moreover, in cases where it felt its vital interests were directly challenged, the collective security machinery of the Organization of American States proved too cumbersome and the United States acted unilaterally—namely in the Bay of Pigs (1961), the Cuban Missile Crisis (1962), and to some degree even in the Dominican Republic (1965).

During this same period, the United States viewed gravely the emergence of internal threats that might produce environments propitious for the growth of communism, and tried to redefine the mission of Latin American militaries accordingly. The Latin Americans were equally concerned, if not more so, about their sovereignty being violated by the United States and by other Latin American states. Thus, Latin Americans viewed and continue to view the Rio Treaty and the Organization of American States “not

primarily as an alliance against an external threat but rather as an elaborate juridical and moral structure to limit US intervention in the hemisphere."<sup>35</sup> Lately also there have been significant revisions of the perception of what role the United States intends to play in moderating Latin-American conflicts.

Recently, the asymmetry has grown to include differing perceptions of what constitutes the definition of security. The Latin Americans have promoted the concept of economic security within an expanded definition of national security, whereas the United States has been very reluctant to discuss collective economic security. In the 1975 protocol of San Jose, the United States attached a reservation to the effect "that it accepts no obligation or commitment to negotiate, sign, or ratify a treaty or convention on the subject of collective economic security."<sup>36</sup> Secretary of State Henry Kissinger firmly criticized the proposed new draft Charter of the OAS for its prescriptions on collective economic security: "I regret to say that it is one that our government could neither sign nor recommend that our Senate ratify. It includes prescriptive and hortatory statements of general principle which are as poorly defined as they are ominous."<sup>37</sup>

Moreover, within the framework of collective security, "US-Latin American military relations developed a body of common organizations, doctrine, and training that presumed a common world view and shared perception of the threat. There has evolved an Inter-American military system with the following components: the Inter-American Defense Board (founded in 1941 and the oldest multilateral military organization the United States participates in); the Inter-American Treaty of Reciprocal Assistance; security assistance programs; the Inter-American Defense College; US military Latin Americanists; the Central American Defense Council; the US Southern Command; hemispheric conferences of service chiefs; joint maneuvers and combined exercises such as the "UNITAS" naval exercises; communications facilities; training programs for the Latin American military in Panama and the United States; and unsuccessful efforts to create an Inter-American Peace Force. With the exception of the Inter-American Peace Force, which was pretty much a dead issue by the late 1960's, because it was feared to be in intervention force—(a fear underscored by the rejection of a US proposal for a Nicaraguan peacekeeping force at the 1979 OAS meeting)—most of the other

components are seriously questioned as to whether they are worth retaining.<sup>38</sup>

Along with these organizations and institutions, military relations subsumed certain common strategic concepts. These concepts, mostly derivatives of World War II and the cold war, increasingly became sources of dispute and the eventual weakening of the military system. To begin with, the Latin Americans objected to the idea of developing a formal instrument of collective security as propounded by the United States. In the 1950's, monolithic communism was perceived as the principal threat by the United States and its European allies. Latin Americans did not share this perception and they resented the fact that the United States neglected them in favor of Europe and Northeast Asia.

The past two decades have witnessed a drastic decline of consensus in favor of the utility of the Inter-American military relations. The reasons for this are varied. In Latin America there developed indigenous national security doctrines that focused on internal economic development and national integration—the Brazilian doctrine refined in the Escola Superior de Guerra and Peru's originally radical concept of national integration propounded by its Centro de Altos Estudios Militares. The Brazilian and Peruvian "models," variously adapted by other Latin countries, equate social integration and economic development with national security—the notion that a nation is not safe from external and internal threats unless it attains these attributes. Importantly also, the future leaders of Latin America, many of whom will have been trained in civilian-military technocratic milieus, will be strongly imbued with these doctrines. The new national security doctrines merged with the flowering of dependency theory as a way of explaining Latin America's marginal location in international military relations.<sup>39</sup>

Concurrently, the liberal democratic experiment gave way to a new wave of militarism that is nationalistic and developmentalist, heavily imbued with the notion that upon the shoulders of an increasingly competent military rested the burden of building a nation. Ideological pluralism with a greater tolerance for more radical approaches to nation-building became firmly fixed by 1970—characterized by a less menacing Cuba, Allende's socialist experiment in Chile and the conservative reaction of 1973 and the Peruvian Revolution, and another conservative turn by 1976.

Brazil's economic miracle demonstrated at the same time the significant potential of an authoritarian military-technocratic approach to development. All in all, by 1980 there was mounting evidence that Latin American countries were making important institutional and programmatic strides at more effective government, even if some indicators existed to the contrary.

Important changes in arms transfers were becoming evident by the early 1970's. On the part of the United States, congressional restrictions began to limit total US sales to Latin America—a region which normally accounts for a minuscule portion of the world's arms market. Further, US legislation inhibited the sale of "sophisticated" weapons to Latin America. These restrictions were combined with the fact that the United States, because of its other commitments, did not have available for sale the variety of items desired by Latin Americans in this latest arms purchasing cycle.<sup>40</sup> The principal impact is that the United States is no longer the prime source of armaments. Thus any leverage the United States may have had through arms transfers on political affairs and conflict resolution is diminishing. Moreover, indigenous arms industries are developing in Brazil and Argentina. Latin American countries will undergo another cycle of arms modernization by the mid-1980's and the United States must implement a consistent and effective arms transfer policy or be eliminated even further.

Additional determinants have very recently entered the equation—most notably, the human rights considerations codified into law by congressional legislation and accentuated by President Carter's foreign policy. The human rights provisions inserted into the International Security Assistance and Arms Export Control Act of 1976 and subsequent amendments prohibit security assistance to governments found to be conducting gross violations of their citizens' human rights. They also require congressional review of all arms sales of over \$25 million. When human rights became the cornerstone of President Carter's foreign policy, Latin American countries whose record in that area has been negative—Chile, Uruguay, Brazil, El Salvador, Guatemala, and Argentina—were eliminated from grant and credit assistance.

The impact of human rights upon US-Latin American military relations is dramatic. Argentina, Uruguay, Brazil, Guatemala, and El Salvador unilaterally terminated military assistance agreements or rejected US assistance and generally assumed a harder line

toward continued military cooperation with the United States. The Brazilians, who were also reacting against US displeasure with the nuclear technology transfer agreement with West Germany, pulled out of the Joint US-Brazilian Military Commission in mid 1977. The Argentines cancelled participation in hemispheric naval exercises. The reasoning was as follows: the United States had adopted a selective and morally inconsistent posture. They argued, moreover, that they were being treated shabbily because they were not strategically important enough to warrant exceptions by reason of US national security—as in the cases of South Korea and the Philippines.

The Latin Americans read the human rights program from a different perspective. Whereas the United States is concerned about individual human rights (an argument which is not wholly convincing to them since they believe that the thrust may be for other purposes—such as internal foreign policy consensus in the United States and the accompanying need to generate leverage against the Soviet Union), they believe it is not concerned about the violation of individual and collective rights of societies at war with Marxist guerrillas. They charge in addition that the United States does not show sensitivity to the problems of societies faced with the inevitable tensions and violence associated with development. They thus tend to see a form of moral intervention that is not altogether altruistic.

These recent initiatives by the United States have contributed to problems in military relations. Many countries feel abandoned by the United States precisely at the time when both the internal and external threat is more credible to them than at any time since the early 1960's. Soviet-Cuban triumphs in Angola and Ethiopia and the stratagem of "intervention by invitation" there have awakened fears in southern South America about an increasing Soviet naval presence in the South Atlantic, and in the Caribbean about Cuban intentions. Some of these fears are borne out by the Cuban presence in Nicaragua and Grenada. Argentina, Brazil, Chile, Uruguay and South Africa are rumored to be considering the formation of a South Atlantic Treaty Organization. Such a prospect is not in the cards, but these indigenous perceptions indicate that Latin Americans do not take these events lightly and do possess a capacity, if somewhat limited, to undertake initiatives independently of the United States.<sup>41</sup>

## OUTLOOK

The next decade will see the continuation of important geopolitical changes: the continued growth of strong and effective national governments, the competition for resources, the resurgence of traditional rivalries and border tensions, and the diffusion of military power to include the possibility of nuclear proliferation. In addition, Latin America will be less and less beholden to the policy preferences of the United States. Indeed, multipolarity will engender a loosening of traditional alignments that will grant greater flexibility to the Latin Americans. Perhaps this process is inevitable, yet it is imperative that an environment conducive to working out problems and common objectives remain.

Several conclusions are possible for security relations. If the United States wishes to maintain useful relations with the Latin American governments, it must be prepared to articulate its security interests more broadly and make some accommodation with Latin American notions of security. The US definition is irrelevant to the Inter-American environment and so are the institutions established around it.

A number of Inter-American military institutions are either in some state of abeyance, such as the US-Brazilian Joint Military Commission, or moribund, such as the Inter-American Defense Board (IADB). The latter organization, originally designed to develop planning for the common defense of the Western Hemisphere against the Axis thrust in World War II, metamorphosed into an anti-Communist orientation in the early 1950's. It still retains this posture in the complex, interdependent world of 1980, where the threat is much more ambiguous and diffuse than in the cold war, and at a time when in fact some Latin American countries entertain serious doubts about the US commitment to hemispheric collective security. It does little in the way of contingency planning and much of its deliberations and solutions go unheeded by the respective governments. It is more a sounding board for collective frustrations than collective security.

The lingering justification for the IADB is that it provides a convenient forum for contact between the US and Latin American militaries and that, moreover, it exists in case the requirement arises to have a truly military planning function. It is thus an

anachronism, maintained at a safe jurisdictional distance by the Organization of American States, which, though the Board possesses certain capabilities in the area of peacekeeping, prefers not to invest the organization with any meaningful operational role. The problem lies in the lack of agreement between the United States and Latin American countries on what constitutes collective security.

Moreover, traditionally the Latin American countries, mindful of the lessons of their history with the United States, have been opposed to the establishment of any justification for military intervention by the United States. As long as these fears and this dissonance survive, the IADB will be considered irrelevant to Inter-American security in its broadest sense, economic as well as military. Such a forum would require ministerial level profile and a genuine commitment by all parties to discuss the comprehensive and substantive aspects of security. This means making the Inter-American organizational machinery do what it is intended to do—resolve conflict, promote socioeconomic development, political cooperation, and security. As the United States adjusts to the reality that it is no longer as preeminent as it once was, it will need to develop cooperative approaches with the multitude of nations in the world irrespective of their location and relative power bases. It can no longer hope to influence world events simply by fiat or by the exercise of crude military power.

## ENDNOTES

1. Helio Jaguaribe, "La America Latina ante al Siglo XXI," *El Trimestre Economico*, Vol. XLI (April, June 1974), page 419.
2. Latin America also provides quantities of the following minerals: aluminum, chromium, columbium, fluorspar, iron, led, manganese, mercury, nickel, platinum, tin, titanium, tungsten, vanadium, zinc.
3. William G. Bowdler, Assistant Secretary for Inter-American Affairs, "Latin America and the Caribbean," statement before the Senate Foreign Relations Committee, April 16, 1980.
4. Albert Fishlow, "The Mature Neighbor Policy," in Joseph Grunwald, ed., *Latin America and World Economy: A Changing International Order*, Beverly Hills: Sage, 1978, page 38. US foreign investment in Latin America experienced a similar decline: from 38 percent of US direct foreign investment in 1950 to 18 percent in 1975.
5. *Ibid.*
6. Fishlow, page 49.
7. On these various points see the brilliant article by Tad Szulc, "Radical Winds in the Caribbean," *The New York Times Magazine*, May 25, 1980, pages 16-19, 56-60, 70-73.
8. Guatemalan territorial ambitions on Belice have three bases: traditional border dispute going back to the nineteenth century, potential petroleum finds in the Gulf of Honduras, and the requirements of internal Guatemalan politics.
9. Alexander MacLeod, "British to Help Caribbean Police Itself Against Coups," *Christian Science Monitor*, April 20, 1979, page 5. The article speculated that "the force would probably operate under the auspices of a mutual defense treaty....The emphasis would be on speedy intervention in the event of a threatened takeover." East Caribbean islands have embarked on other efforts at regional unity. Prime Minister Tom Adams of Barbados is promoting plans for setting up a joint coast guard, common judicial services, and pooled police training facilities with Antigua, St. Vincent, St. Lucia, St. Kitts-Nevis, Anguilla. See Alexander MacLeod, "Tiny east Caribbean isles seek strength in unity," *Christian Science Monitor*, January 24, 1979, page 7.
10. This was the criticism of the United States applied by all three major political movements—commonwealth, statehood and independence at the United Nations in 1979.
11. Alfred Stepan, "The United States and Latin America: Vital Interests and the Instruments of Power," *Foreign Affairs*, Vol. 58, No. 3, pages 672-680. See also Josefina Cintron Tiryakian, "United States, Puerto Rico and the Caribbean: Rethinking Geopolitical Realities," paper presented at the annual meeting of the Middle Atlantic Council of Latin American Studies, Newark, Delaware, April 17, 1980.
12. See the *Le Monde* commentary by Marcel Niedergang, "Dependence and Survival," transcribed in *Foreign Broadcast Information Service* (Latin America), April 15, 1980, pages K-7 - K-9.
13. Transcript of speech and press conference of Jose Lopez-Portillo, President of the Republic, at the 19th Annual Conference of United Press International Editors and Publishers, October 13, 1978, Tijuana, page 5.



14. Luigi R. Einaudi, "The Future of US-Mexican Relations," remarks presented at the Mexico-United States' Editors Conference, Racine, Wisconsin, March 26, 1979, page 8.

15. Lopez-Portillo, page 6.

16. *Ibid*, page 7.

17. William G. Bowdler, Assistant Secretary of State for Inter-American Affairs, "The US and Central America," address to the Pan American Society, New York, April 8, 1980.

18. See Alan Riding, "Salvador Makes Other Latin Dominoes Nervous," *The New York Times*, April 6, 1980; also Karen Elliott House and Beth Nissen, "US Tries to Influence Central America Unrest But Finds Task Risky," *Wall Street Journal*, April 29, 1980, pages 1, 34.

19. On these conflicts see Jorge I. Dominguez, *Ghosts from the Past: Territorial and Boundary Disputes in Mainland Central and South America*, Harvard University, unpublished manuscript, June 1979. Dominguez concludes that "objectively weaker South American states initiate conflict to extract redress and benefits, while objectively stronger South American states compromise for larger political and economic objectives." In Central America the opposite is true: objectively stronger states initiate conflict with expectations of winning.

20. The Tacna-Arica question is a relic of the 1879-1883 War of the Pacific, fought by Chile against Bolivia and Peru. Though its antecedents are ancient, Chile wrested coastal territory from Bolivia thus depriving that country of an outlet to the Pacific. The outlet has been a bone of contention since then. The Treaty of Ancon of 1927, to which the United States is a party, stipulates that the three signatories be consulted in case of any future territorial adjustment. Tensions heightened towards 1979 as the 100th anniversary of the war approached, as Chileans and Peruvians seemed to be preparing for refighting the war. Bolivia of course makes the quest for a Pacific outlet a matter of the highest national priority. On this complicated issue see William L. Krieg, *Legacy of the War of the Pacific*, US Department of State, External Research Program, October 1974.

21. By the Treaty of 1888, Chile agreed not to have an Atlantic coastline and Argentina the same for a Pacific coastline. However, the three islets in question were not provided for. Chile has effectively occupied them and its jurisdiction has been upheld by the 1978 decision of the British Crown. Argentine military officials will not let the matter rest easily, arguing for longer-term preparations against Chile. See, for example, Juan Ramon Munoz Grande, "Argentina: Objetivo organico del Ejercito para el largo plazo," *Estrategia*, No. 60 (September-October) 1979, page 40.

22. "Visita de Goodpastor e tema de especulacoes," *O Estado de Sao Paulo*, January 30, 1980, page 3. It should be noted that the US government grossly underestimated Argentina's wheat export potential. As Patricia Derian, head of the State Department's Human Rights Bureau commented: "We forgot what grows down there."

23. For more details on the planned transition in Chile, see my paper "The Chilean Military Government and the Prospects for Transition to Democracy," *Inter-American Economic Affairs*, Vol. 33, No. 2, (Autumn 1979).

24. The national security doctrines of Brazil and Peru were heavily influenced by the writings of respectively General Golbery and General Edgardo Mercado Jarrin. See for example Mercado Jarrin, "Reflexiones sobre la seguridad y el desarrollo en

America Latina," *Estrategia*, Anos, No. 24, (September-October 1973), pages 29-41. For a Chilean version, see Alejandro Medina Lois, "Teoria de la Seguridad Nacional, entitled *Seguridad Nacional*, September-October 1976, pages 33-42. For an insightful critique of the doctrine, see Genaro Arriegada Herrera and Manuel Antonio Garreton, "America Latina a la Hora de las Doctrinas de la Seguridad Nacional," Centro de Investigaciones socio-economicas (CISEC), *Las Fuerzas Armadas en la Sociedad Civil*, Santiago: Talleres Graficos, pages 143-229.

25. A 1976 International Monetary Fund study indicated the social impact of the Chilean government's income redistribution policy: in 1972 wage and salaried workers received 63 percent of total income, while 37 percent went to the propertied class; by 1974 these figures were almost exactly reversed—38 percent and 62 percent respectively. See Michael Moffitt, "Chicago Economics in Chile," *Challenge*, Vol. 20, No. 4 (September-October 1977), page 37. Though no such radical change took place in Brazil with the Revolution of 1964, the Brazilian "economic miracle" has further eroded the purchasing power of the lower class.

26. For a further elaboration of the model see, US Embassy Santiago, *Chile: Economic Outlook*, December 1979; The World Bank, *Chile: An Economy in Transition*, Washington, DC; January 1980.

27. Max G. Manwaring, *Brazilian Military Power: A Capability Analysis*, unpublished manuscript, Memphis State University, April 1980, page 9.

28. Wayne A. Selcher, "Brazil in the World: A Ranking Analysis of Capability and Status Measures," paper presented at the Latin American Studies Association, Eighth National Meeting, Pittsburgh, April 5-7, 1979, page 33.

29. *Ibid.*, page 26.

30. Juan de Onis, "Long-Time Rivals, Brazil and Argentina, Are Mending Fences," *The New York Times*, May 19, 1980, page D3.

31. Abraham Lowenthal, "Changing Patterns in Inter-American Relations," *Continuity and Change in the Eighties and Beyond*, Proceedings of the National Security Affairs Conference, National Defense University, July 23-25, 1979, page 199.

32. Highly readable example of this type of writing is contained in Raymond A. Komorowski, "US Strategic Interests in Latin America and the Impact of the NATO Short War Strategy," *Military Issues Research Memorandum*, Carlisle Barracks: Strategic Studies Institute, July 29, 1977.

33. On this point see John S. Fitch, "The Political Consequences of US Military Assistance to Latin America," *Military Issues Research Memorandum*, Carlisle Barracks: Strategic Studies Institute, October 15, 1977; also his *The Military Coup d'Etat as a Political Process, 1948-1966*, Baltimore: Johns Hopkins University Press, 1977.

34. John Child, "Alliance Theory and the Organization of American States," unpublished paper, 1974; contained in Child's *The US-Latin American Strategic Relationship*, collection of papers, 1965-1977, on deposit at the US Army War College Library.

35. *Ibid.*, page 8.

36. Cited in G. Pope Atkins, "Mutual Security in the Changing Inter-American System: An Appraisal of OAS Charter and Rio Treaty Revisions," *Military Issues Research Memorandum*, Carlisle Barracks: Strategic Studies Institute, July 25, 1977, page 18.

37. *Ibid.*, page 19.

38. John Child, "The Inter-American Military System: Historical Development, Current Trends and Implications for US Policy," page 2.

39. The distinguished Peruvian military intellectual General Edgardo Mercado Jarrin has asserted: "The technology of modern warfare has caused industrial development to be a preponderant factor in national power....The most tyrannical kind of dependence is military technological dependence," "Relations between Policy and Military Strategy," *Oiga* (Lima), March 15, 1974, pages 18-20, 44-46. Cited in David Ronfeldt and Caesar Sereseres, *U.S. Arms Transfers, Diplomacy, and Security in Latin America and Beyond*, Santa Monica: Rand Corporation, October 1977, page 15.

40. For an insightful analysis of trends in arms transfers to Latin America, see Norman M. Smith, "Conventional Arms Transfers to Latin America," *Military Issues Research Memorandum*, Carlisle Barracks: Strategic Studies Institute, August 8, 1977.

41. Principally because there may be no need for it and such an organization would have a limited security capability. See Margaret Daly Hayes, *Brazil and the South Atlantic: Changing Perspectives on an Emerging Issue*, paper prepared for Seminar on Brazil and the South Atlantic at the Center of Brazilian Studies of the School of Advanced International Studies, Johns Hopkins University, March 14, 1978.

UNCLASSIFIED

SECURITY CLASSIFICATION OF THIS PAGE (When Data Entered)

REPORT DOCUMENTATION PAGE		READ INSTRUCTIONS BEFORE COMPLETING FORM
1. REPORT NUMBER ACN 81048	2. GOVT ACCESSION NO. 4D-A105446	3. RECIPIENT'S CATALOG NUMBER
4. TITLE (and Subtitle) LATIN AMERICA IN THE 1980's: THE STRATEGIC ENVIRONMENT AND INTER-AMERICAN SECURITY		5. TYPE OF REPORT & PERIOD COVERED Strategic Issues Research Memorandum
7. AUTHOR(s) Dr. Gabriel Marcella		6. PERFORMING ORG. REPORT NUMBER
9. PERFORMING ORGANIZATION NAME AND ADDRESS Strategic Studies Institute US Army War College Carlisle Barracks, PA 17013		8. CONTRACT OR GRANT NUMBER(s)
11. CONTROLLING OFFICE NAME AND ADDRESS		10. PROGRAM ELEMENT, PROJECT, TASK AREA & WORK UNIT NUMBERS
14. MONITORING AGENCY NAME & ADDRESS (if different from Controlling Office)		12. REPORT DATE 15 June 1981
		13. NUMBER OF PAGES 41
		15. SECURITY CLASS. (of this report) UNCLASSIFIED
		15a. DECLASSIFICATION/DOWNGRADING SCHEDULE
16. DISTRIBUTION STATEMENT (of this Report)  Approved for public release; distribution unlimited.		
17. DISTRIBUTION STATEMENT (of the abstract entered in Block 20, if different from Report)		
18. SUPPLEMENTARY NOTES		
19. KEY WORDS (Continue on reverse side if necessary and identify by block number) Latin America; future trends; subregions; US interests; military relations.		
20. ABSTRACT (Continue on reverse side if necessary and identify by block number) Latin America is becoming more important in the world community, a fact which can be seen subregionally in Mexico, Central America, the Caribbean and South America. The region's increasing importance requires developing a new framework for a meaningful dialogue on the substantive issues of Inter-American security in its broadest sense, economic as well as military.		

END

DATE  
FILMED

11-81

DTIC